

Wednesday, June 14, 2006

The Board met at its offices at 5901 Green Valley Circle, Culver City, at 9:30 a.m., with Mr. Chiang, Chair, Mr. Parrish, Vice Chair, Ms. Yee and Mr. Leonard present, Ms. Mandel present on behalf of Mr. Westly in accordance with Government Code section 7.9.

SALES AND USE TAX APPEALS HEARINGS

Fiesta Harbor Cruises, Inc., 269621 (UT)

10-5-00, \$3,944.57 Tax

For Petitioner:

Tom Durr, Taxpayer

For Sales and Use Tax Department:

Christine Bisauta, Tax Counsel

Contribution Disclosures pursuant to Government Code section 15626: None were disclosed.

Issues: Whether taxpayer's use of the vessel qualifies for the commercial deep sea fishing exemption, or nontaxable demonstration and display, while the vessel was allegedly being held for resale.

Whether taxpayer is entitled to relief from the 10 percent penalty for failure to timely pay the determination when due.

Whether taxpayer has established reasonable cause for relief of the amnesty interest penalty.

Action: Upon motion of Ms. Yee, seconded by Ms. Mandel and unanimously carried, Mr. Chiang, Mr. Parrish, Ms. Yee, Mr. Leonard and Ms. Mandel voting yes, the Board ordered that the petition be submitted for decision.

J & J Station, Inc., 312851 (AS)

10-1-01 to 9-30-04, \$71,522.58 Tax, \$10,381.41 Penalty

For Petitioner:

Jae Kwon Kim, Taxpayer

Jung Hoon Oh, CPA

For Sales and Use Tax Department:

Kevin Hanks, Hearing Representative

Contribution Disclosures pursuant to Government Code section 15626: None were disclosed.

Issues: Whether the audited amount of unreported taxable cash sales is excessive.

Whether the negligence penalty is warranted.

Action: Upon motion of Mr. Parrish, seconded by Ms. Yee and unanimously carried, Mr. Chiang, Mr. Parrish, Ms. Yee, Mr. Leonard and Ms. Mandel voting yes, the Board ordered that the petition be redetermined in accordance with the revised recommendation of the Appeals Division.

FINAL ACTION ON SALES AND USE TAX APPEALS HEARING HELD JUNE 14, 2006

Fiesta Harbor Cruises, Inc., 269621 (UT)

Final Action: Upon motion of Ms. Yee, seconded by Ms. Mandel and unanimously carried, Mr. Chiang, Mr. Parrish, Ms. Yee, Mr. Leonard and Ms. Mandel voting yes, the Board ordered that the petition be redetermined as recommended by the Appeals Division.

Wednesday, June 14, 2006

The Board adjourned at 9:50 a.m.

The foregoing minutes are adopted by the Board on September 27, 2006.

Note: The following cases were voluntarily postponed to a later date: *Dencom Systems, Inc., 194172 (AS), Hector Gonzalez, 251992 (AA), Canyon Motors, Ltd., 219451 (AS)*